

AFRICA: OUR HERITAGE AND OUR FUTURE

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INVESTMENT | SAVINGS | INSURANCE | BANKING



OLDMUTUAL

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This presentation may contain certain forward-looking statements with respect to certain of Old Mutual plc's plans and its current goals and expectations relating to its future financial condition, performance and results.

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OM Asset Management Limited (OMAM), a newly formed holding company for the Group's US-based institutional asset management business, has filed an S-1 registration statement with the US Securities and Exchange Commission (SEC) in preparation for the proposed Initial Public Offering of a minority of the ordinary shares of OMAM beneficially owned by the Group. A registration statement relating to these securities has been filed with the SEC but has not yet become effective. The securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. Nothing in this presentation shall constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that state or jurisdiction.

AGENDA

1. Overview of Old Mutual and Group strategy

2. Building an African financial services champion

3. Market dynamics and insurance and banking strategies

4. Progress on expansion in Africa

5. Competitive advantage

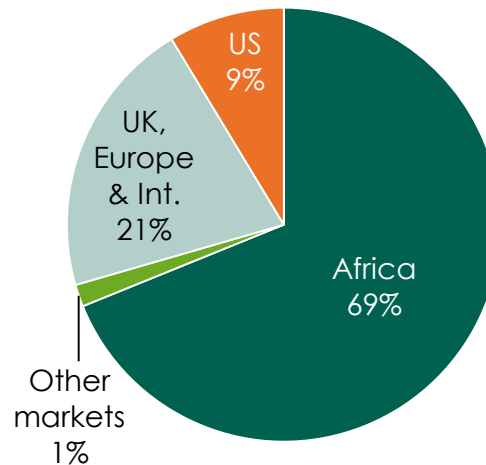
6. Summary



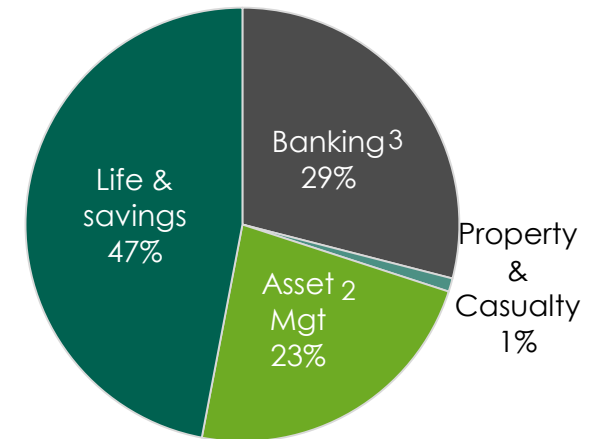
SNAPSHOT OF THE OLD MUTUAL GROUP

- An international savings, investments, insurance and banking group
- Established in 1845 – leading and trusted brand
- 16m customers and 57k employees
- Primary listing on FTSE 100 (#46); Market cap of £9.5bn⁴
 - Secondary listings in Johannesburg, Zimbabwe, Namibia and Malawi
- FuM of £301bn at June 14 (Dec 13: £294bn)
- AOP⁵ of £1.6bn at Dec 13

H1 2014 AOP¹ (£424m)
by geography



H1 2014 AOP¹ (£424m)
by line of business

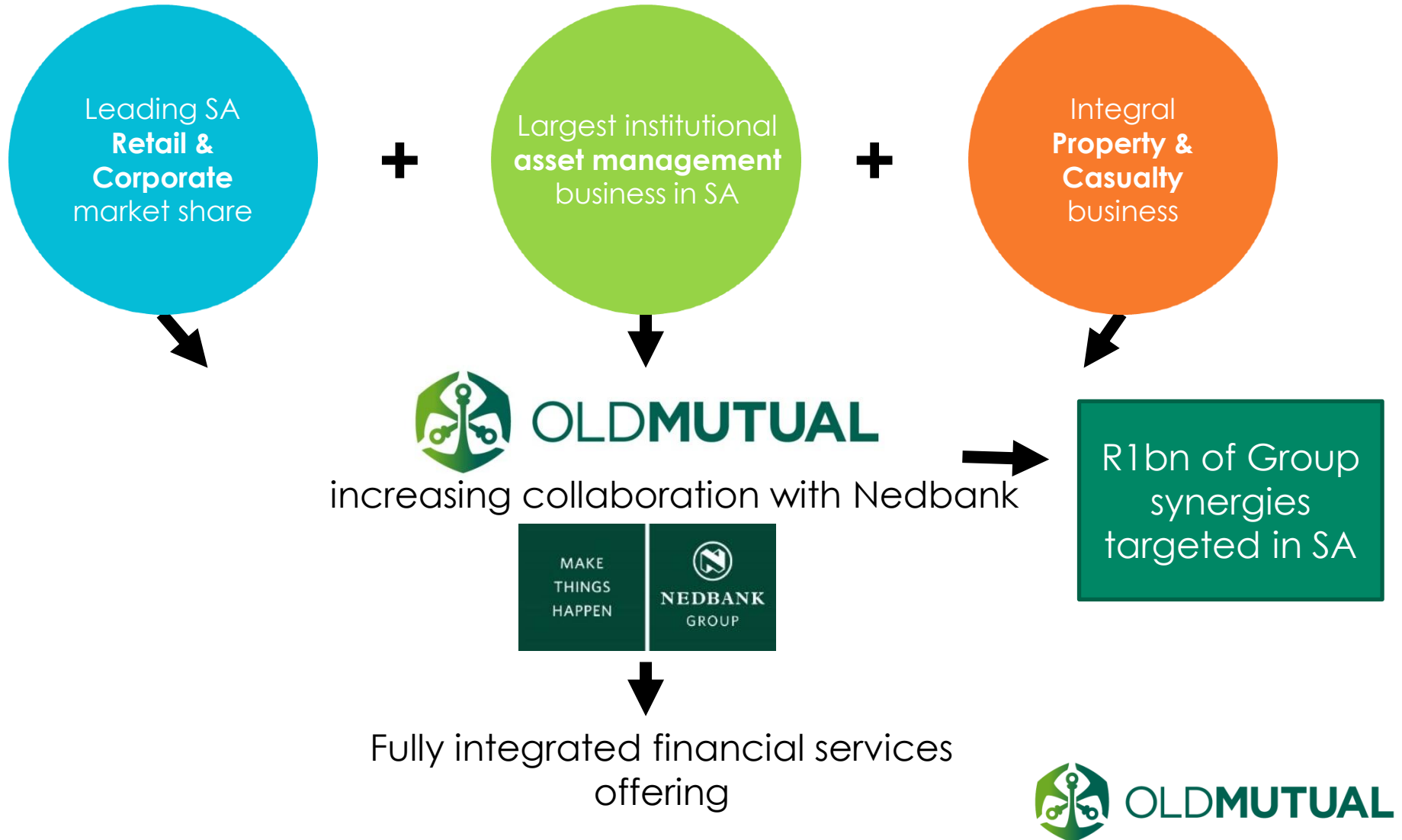


1. Core operations post tax and NCI and includes LTIR. GHO net central costs have been allocated pro-rata for presentational purposes.
2. Includes Institutional Asset Management, OMGI and OMEM & Nedbank's asset management businesses.
3. Includes Nedbank, Faulu in Kenya and OMEM's Zimbabwe CABS.
4. As of 14 September 2014.
5. Adjusted Operating Profit, pre tax and NCI, based on core business only

OUR STRATEGY FOR GROWTH

South Africa	Align OMSA, Nedbank and Mutual & Federal to become the leading and most trusted financial services group.
Rest of Africa	Become an African financial services champion
Old Mutual Wealth	Build the best retail investment business in the UK
Institutional Asset Management (US)	Grow and improve our multi-boutique asset management business.
Group-wide	Be recognised as a leader in Responsible Business.

OUR GROWTH IN AFRICA WILL BE DRIVEN BY A STRONG BASE IN SOUTH AFRICA



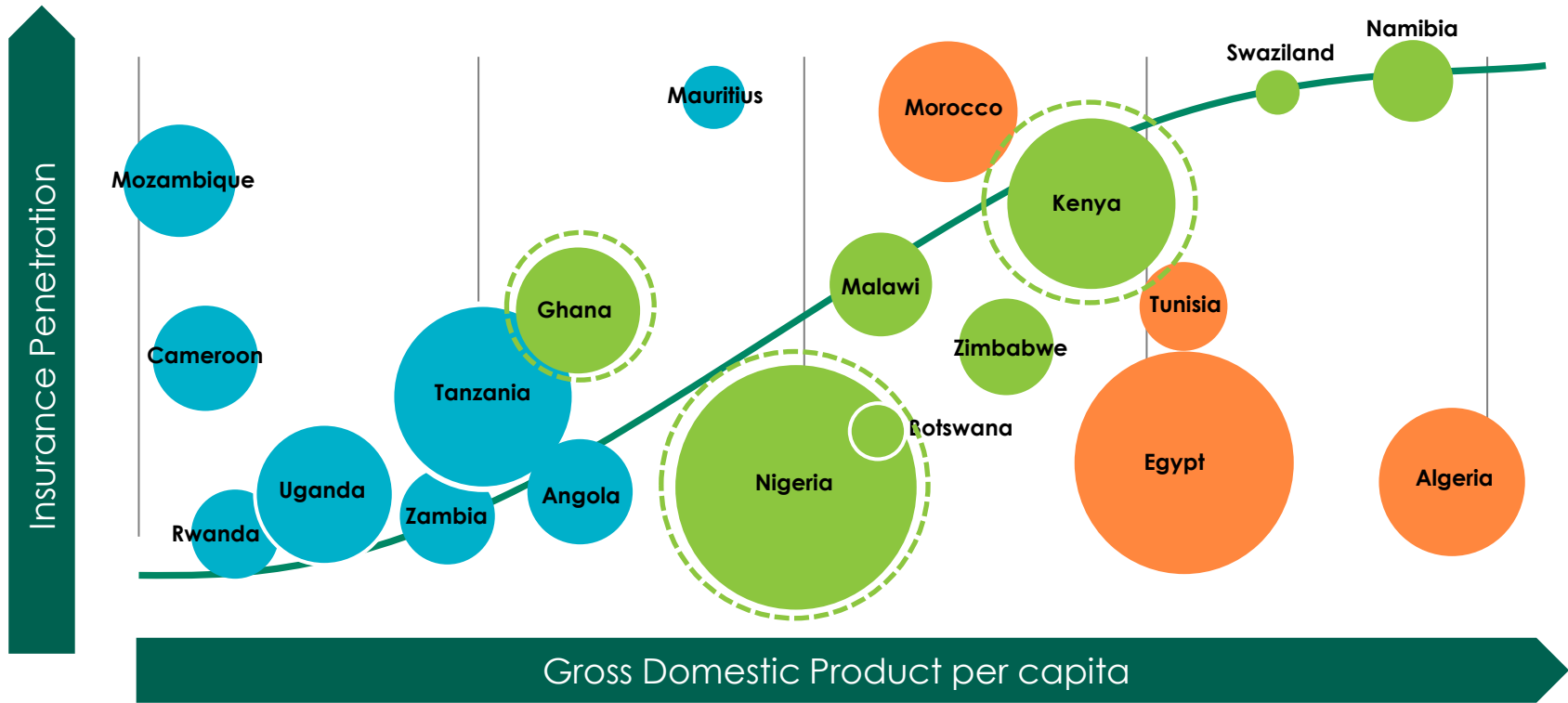
OUR VISION IS TO BECOME THE AFRICAN FINANCIAL SERVICES CHAMPION BY 2020



Our vision for Africa to 2020

- To be the **#1 or #2** business in established and core growth markets, with strong franchises in other West Africa, East Africa and SADC countries
- To achieve a ROE of between 20% and 25%

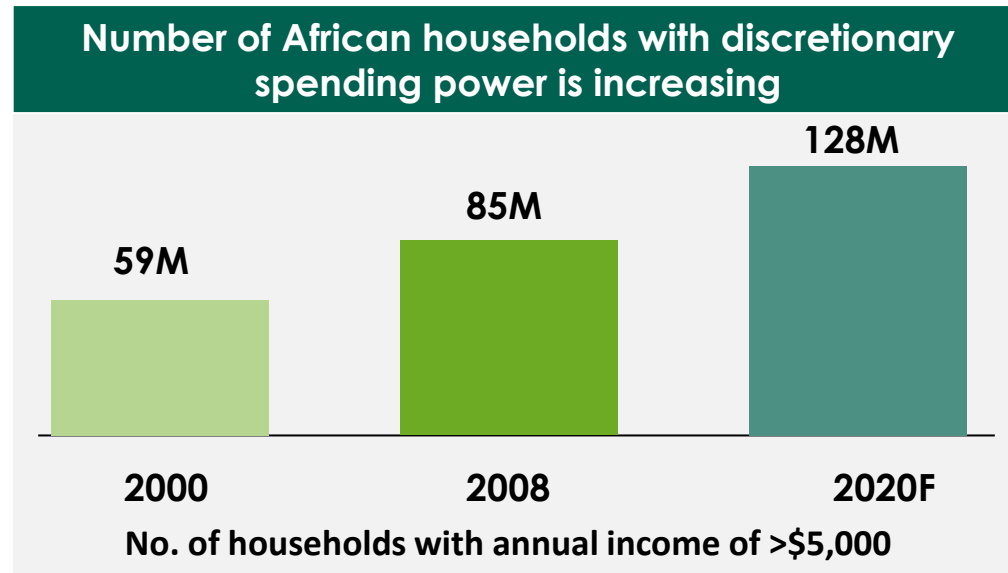
AFRICAN INSURANCE MARKETS ARE NASCENT AND UNDER-PENETRATED



- Size of bubble represents population size; green = OM current markets, blue = other SSA markets, orange = North Africa
- Key growth markets for Old Mutual

Note: Based on Life and P&C insurance GWP

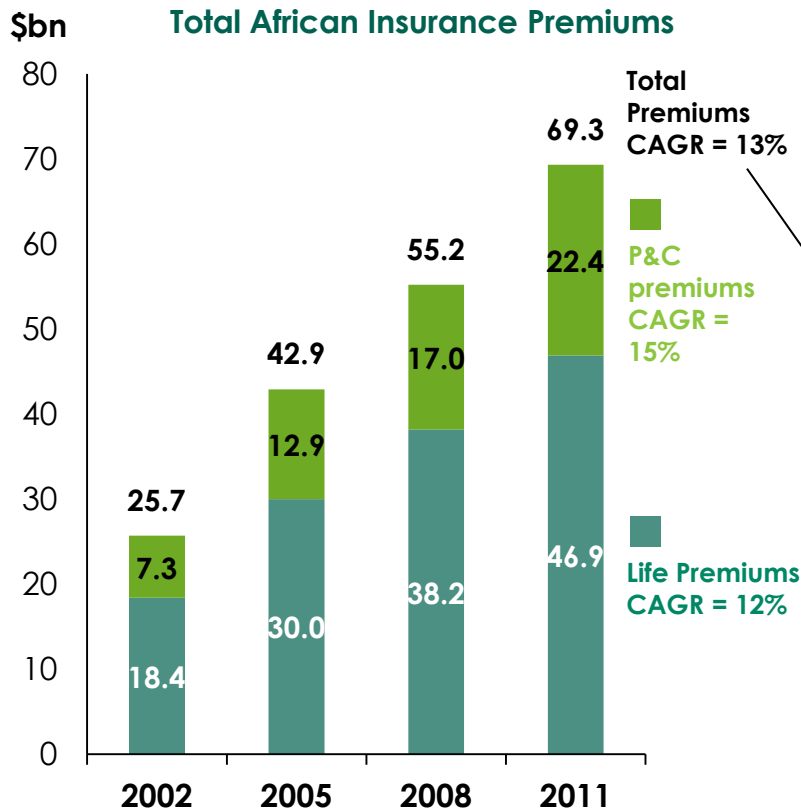
AFRICAN CONSUMERS ARE ON THE RISE



- Consumer expenditure in Sub-Saharan Africa expected to reach nearly \$1 trillion by 2020
- Poverty expected to fall to 20% by 2020
- By 2050, c60 % of people in SSA will live in cities, compared with 40 % in 2010. This means 800m more people will live in urban environments
- By the end of 2014, more than 600 million people will own a mobile phone giving Africa one of the world's highest mobile usage rates

INSURANCE GROWTH WILL FOLLOW

At current growth rates, African insurance premiums are forecast to grow from \$70bn in 2011 to \$200bn in 2020

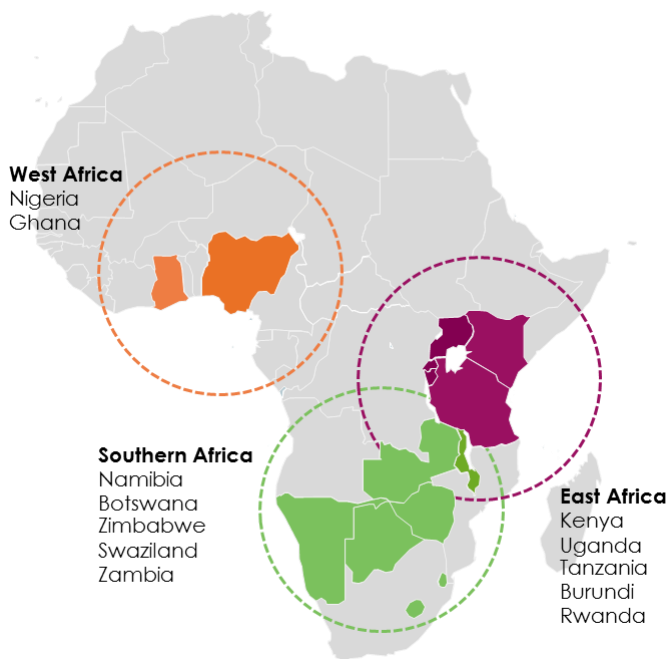


Growth Scenarios: Total African Insurance Premiums (\$bn)

CAGR	2020	2030	2040
8%	133	274	564
10%	163	424	1,099
13%	200	650	2,109
15%	244	986	3,990
18%	296	1,484	7,444

Total African Insurance Premiums as a % of Total Global Premiums = 1.6%

INSURANCE STRATEGY FOR AFRICA



Focus Countries

West Africa

Successfully establish our new businesses in **Nigeria** and in **Ghana**

East Africa

Investigate opportunities to enter the region through our base in **Kenya**. Grow our new Faulu business.

Southern Africa

Explore opportunities in countries such as **Swaziland** and **Zambia** and consider entry into **Mozambique** and **Angola**

Sectors and Segments

Export technical expertise and specialised industry knowledge, and couple with local needs

Product roll-out to retail mass and middle income markets

Make capital-light entries via Corporate and Commercial for P&C

Leverage our corporate relationships to follow our South African clients as they expand into the continent

Capitalise on the demand for Agri insurance; investigate new sectors such as oil & gas

Distribution Channels

Leverage the Old Mutual brand, and key broker and corporate relationships for P&C

Use of tied agency force and worksite model, using SA expertise, for retail protection and savings products as well as credit life

Actively pursue and capture Bancassurance opportunities as a Group (signed agreements with Ecobank in Ghana and Nigeria)

Establish collaborative partnerships within the Group

New world channels such as mobile telephony

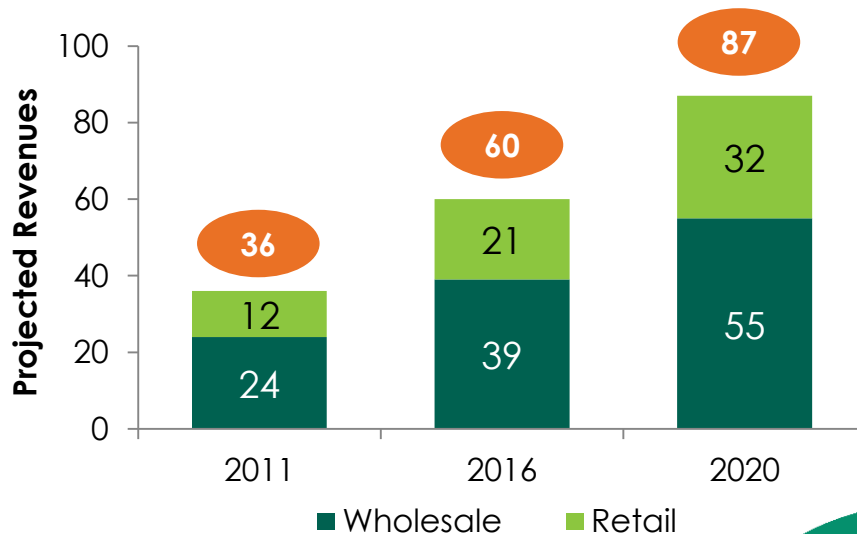


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SUB-SAHARAN AFRICA BANKING REVENUES WILL MORE THAN DOUBLE BY 2020

At current growth rates, SSA revenues are forecast to grow from **\$36bn** in 2011 to **\$87bn** in 2020

Total SSA Banking Revenue Pools (SSA excl. SA) (US\$bn)



Growth Scenarios: Total SSA Banking Revenue Pools (US\$bn)

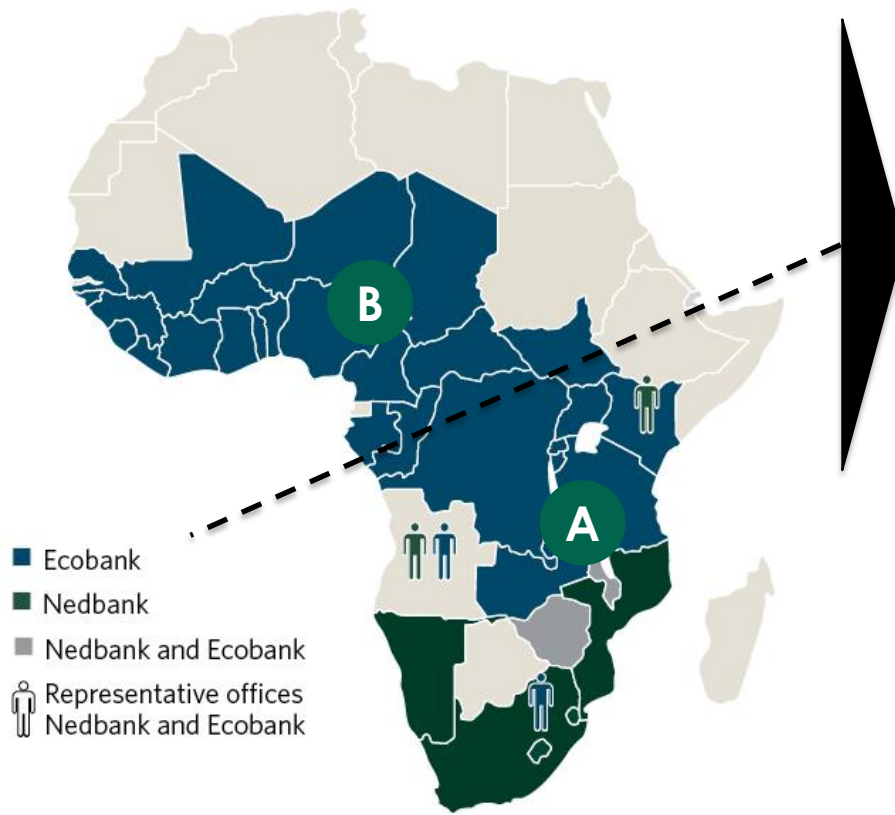
CAGR	2020	2030
8%	73	158
10%	87	223
15%	128	520

McKinsey Global Banking Pools implied compound annual growth rate



BANKING STRATEGY FOR AFRICA

A client-centred, capital efficient and risk mitigated longer-term approach



B

Alliance approach

(principally West & Central Africa)

A

Nedbank Universal Banks

(selected SADC
& East African
markets)



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EXPANSION IN AFRICA: PROGRESS TO DATE

Nigeria

Acquired a majority stake in **Oceanic Life**: gaining new customers under Old Mutual brand

Acquired a majority stake in Ecobank's property & casualty business

Kenya

Acquired a majority stake in **Faulu**

Extensive retail distribution network

Customer base has similar demographic to Mass Foundation market in SA

Ghana

Acquired a majority stake in **Provident Life Assurance Company**

Life & investment products

Customer base mostly retail mass

Mozambique

Nedbank acquired an initial 36.4% stake in **Banco Unico**, with pathway to control

Innovative banking products, including mobile banking applications

c. R952m (incl Nedbank) total spent; c. R700m of OMEM's R5bn allocation

- **South Africa:** Agreed terms to acquire a further 25% of OM Finance for R1.1bn

OUR COMPETITIVE ADVANTAGES IN AFRICA

Brand strength

- Strong African heritage
 - International brand
 - Highly trusted
-

Market understanding

- Understand economic, demographic & market trends
 - Understand circumstances, needs & business models needed to serve mass and middle income customers
 - Understand, anticipate and help to shape regulatory developments
-

Distribution skills

- Skilled at building and managing tied agency forces
 - Build bancassurance relationships
 - Use new generation distribution methods – mobile and digital
-

Cost leverage

- Scale advantage facilitates low unit-cost service
 - Low admin cost per policy
-

Financial strength

- Strong balance sheet
- Growth can be funded by existing local cash and profit generation

SUMMARY

Well positioned for growth in Africa

Clear vision and strategy

Depth of experience

Committed to growing our footprint through respectful partnerships

Helping our customers achieve their lifetime financial goals

Q&A

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APPENDIX

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OLD MUTUAL GROUP HIGHLIGHTS: H1 2014

AOP¹ £761m, up 17% in constant currency (reported: down 5%)

Adjusted EPS 8.8 pence, up 16% in constant currency (reported: down 5%)

£391m free surplus generated

Gross sales up 14% in constant currency at £12.5 bn (reported: up 4%)

£1.6 bn NCCF²; improved flows in Q2

Funds under Management² up 5% in constant currency at £301 bn (reported: up 2%)

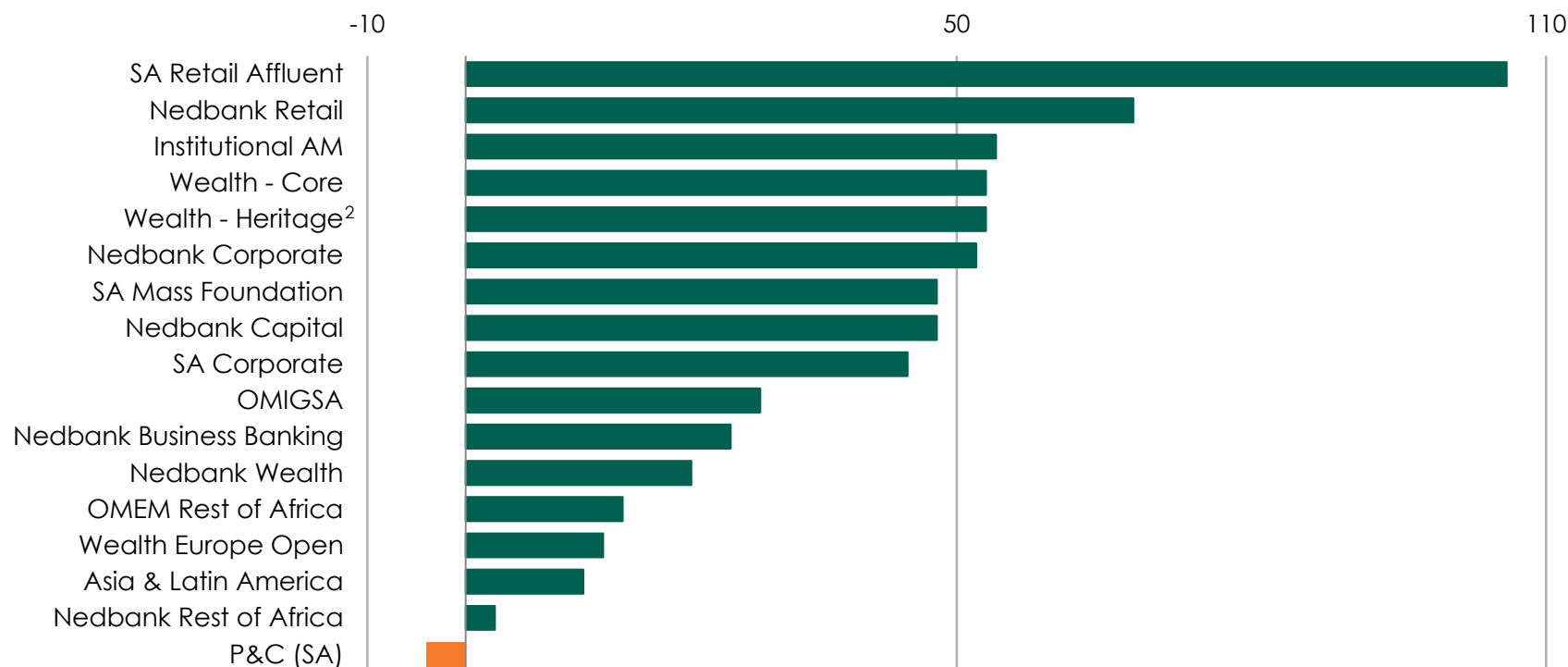
Group ROE³ 13.2%: within target range

Interim dividend 2.45 pence per share (c. 30% of 2013 full year dividend), up 17%

1. AOP, pre-tax and NCI, based on core business only.
2. Core business. FUM comparator is 31 December 2013.
3. Core business IFRS AOP (post tax and NCI) divided by average ordinary shareholders' equity (ie. excluding the perpetual preferred callable securities), annualised.

DIVERSITY OF OPERATING EARNINGS

H1 2014 “operating earnings” (£m, pre-tax, post NCI)¹



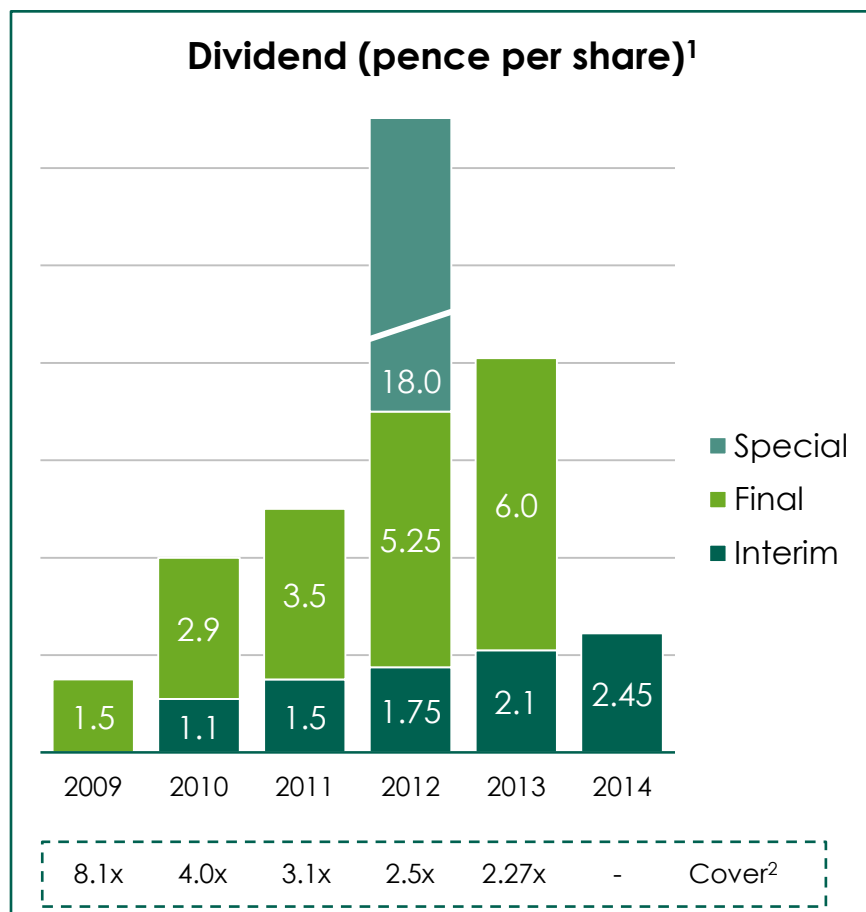
1. Excludes LTIR, Group Head Office, OMEM central costs and Nedbank centre (excl. RoA).
 2. Includes UK Heritage and Europe Heritage (Germany, Austria, Switzerland and Liechtenstein).

CONVERSION OF BUSINESS UNIT AOP TO PLC CASH

H1 2014 (£m)	AOP (post-tax & NCI)	Net free surplus generated	Discretionary BU remittance ²	% of AOP converted into BU remittance
Emerging Markets ¹	202	199	106	52%
Nedbank	140	74 ³	74	53%
Old Mutual Wealth	101	67	1	1%
Institutional AM	42	51	60	143%
H1 2014 before GHO & finance costs	485	391	241	50%
<div style="border: 1px solid black; padding: 5px; display: inline-block; margin: 10px auto;"> 81% conversion of AOP into free surplus </div>				
FY 2013	999	811 (81%)	544	54%
H1 2013	492	460 (93%)	201	41%

1. From 1 January 2014, all Property & Casualty business is reported as part of Emerging Markets.
2. Excludes cash flows from disposals and funding of businesses.
3. Nedbank free surplus represents Group share of Nedbank dividend.

DIVIDEND HISTORY



- Interim ordinary dividend 2.45p per share
 - in line with dividend policy
 - up 17% on 2013 interim dividend
 - 35% increase in rand dividend³
- Progressive dividend policy
 - Targeting 2 to 2.25 times cover
 - Interim dividend set routinely at c.30% of prior year total dividend
- Dividend progression supported by earnings, cash flow and low servicing cost of debt

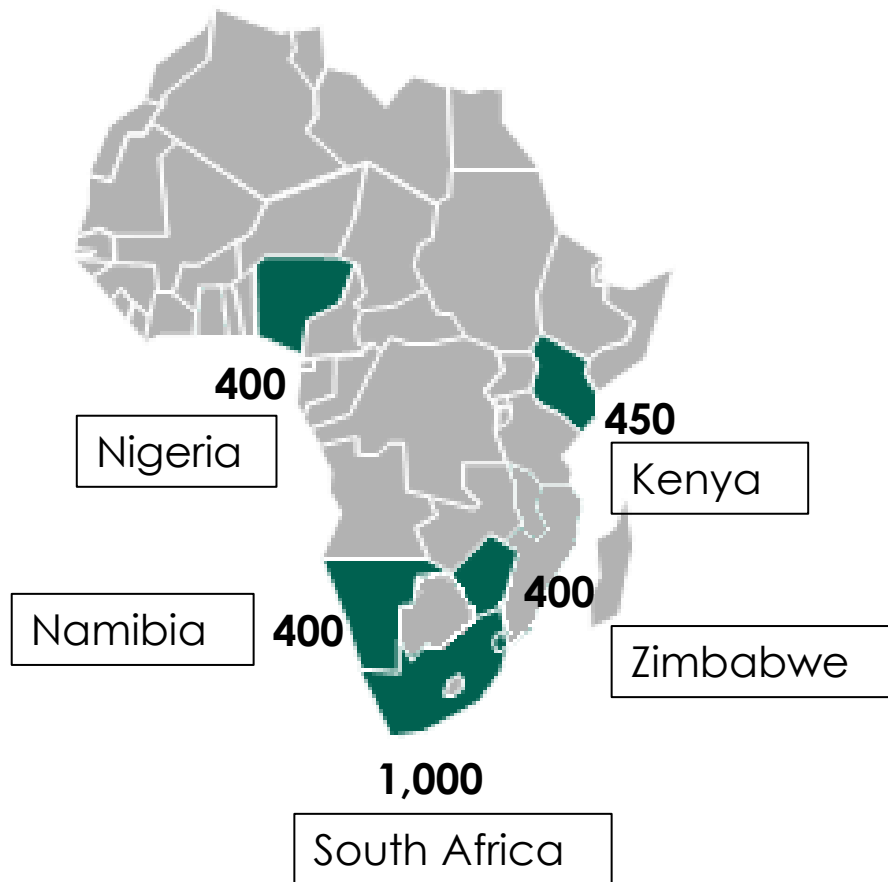
1. Dividend is as paid, unadjusted for the share consolidation in 2012.
 2. Cover based on AOP EPS as reported at each year end; does not include any retrospective restatements.
 3. Using exchange rate at 30 June (18.18); exact rate will be determined on 11 September 2014.

HEADLINE TARGETS

Emerging Markets (2015)	Old Mutual Wealth (2015)	Nedbank (medium to long-term targets) ⁴	Property & Casualty (medium term targets)	Institutional AM US Based Affiliates (on-going)
Over 9 million customers	£270m ³ pre tax AOP	Diluted headline earnings per share growth: \geq CPI + GDP growth + 5%	Sustainable Top 2 position in the South African market	Net Client Cash Inflow: 3-5% of Opening FuM
RoE: 20-25%	RoE: 12-15%	RoE (excl. goodwill): 5% above cost of ordinary shareholders' equity	RoE: 15-20%	Operating Margin (post MI): 25-30%
African profits (15% ¹ of OMSA ²)	Operating Margin: 40%	NIR : Expenses ratio $>$ 85% Efficiency Ratio 50% - 53%	Underwriting Margin: 4-6% (combined ratio of 94-96%)	
		Credit loss ratio: Between 0.8% and 1.2% of average banking advances	Significant P&C operations in the RoA in major markets, supporting the Group's African expansion	
		Common-equity tier 1 capital adequacy ratio (Basel III) 10.5% - 12.5%		

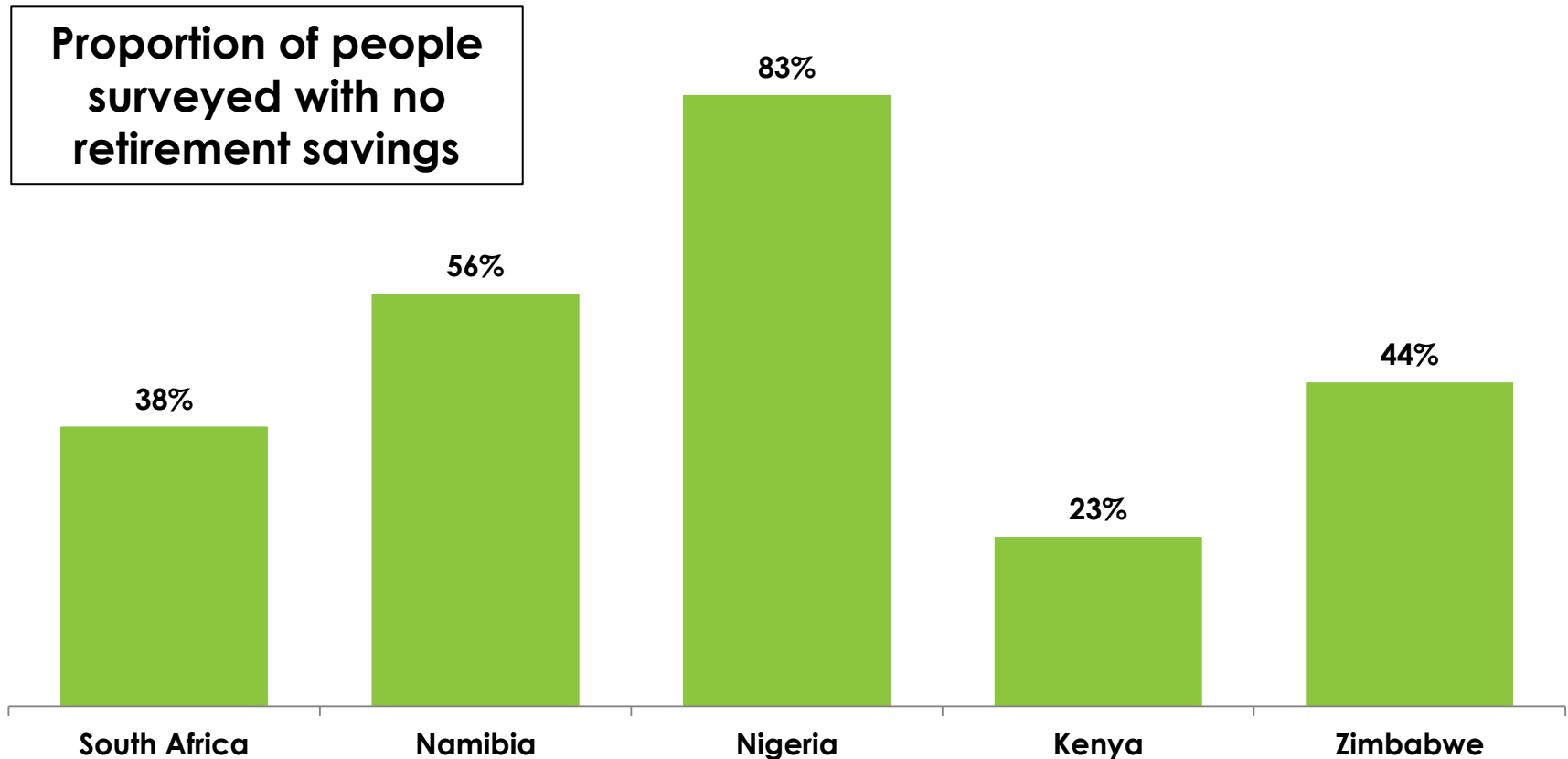
1. Target includes profits from newly acquired entities and P&C earnings in Africa.
2. Calculation is pre-tax and post-minorities and includes LTIR.
3. Adjusted to reflect the sale/expected sale of Old Mutual Wealth's businesses in Austria and Germany (announced 27 March 2014) and Poland (completed 30 May 2014).
4. Unchanged from targets as presented at full year 2013.

2013 SAVINGS & INVESTMENT MONITOR INSIGHTS



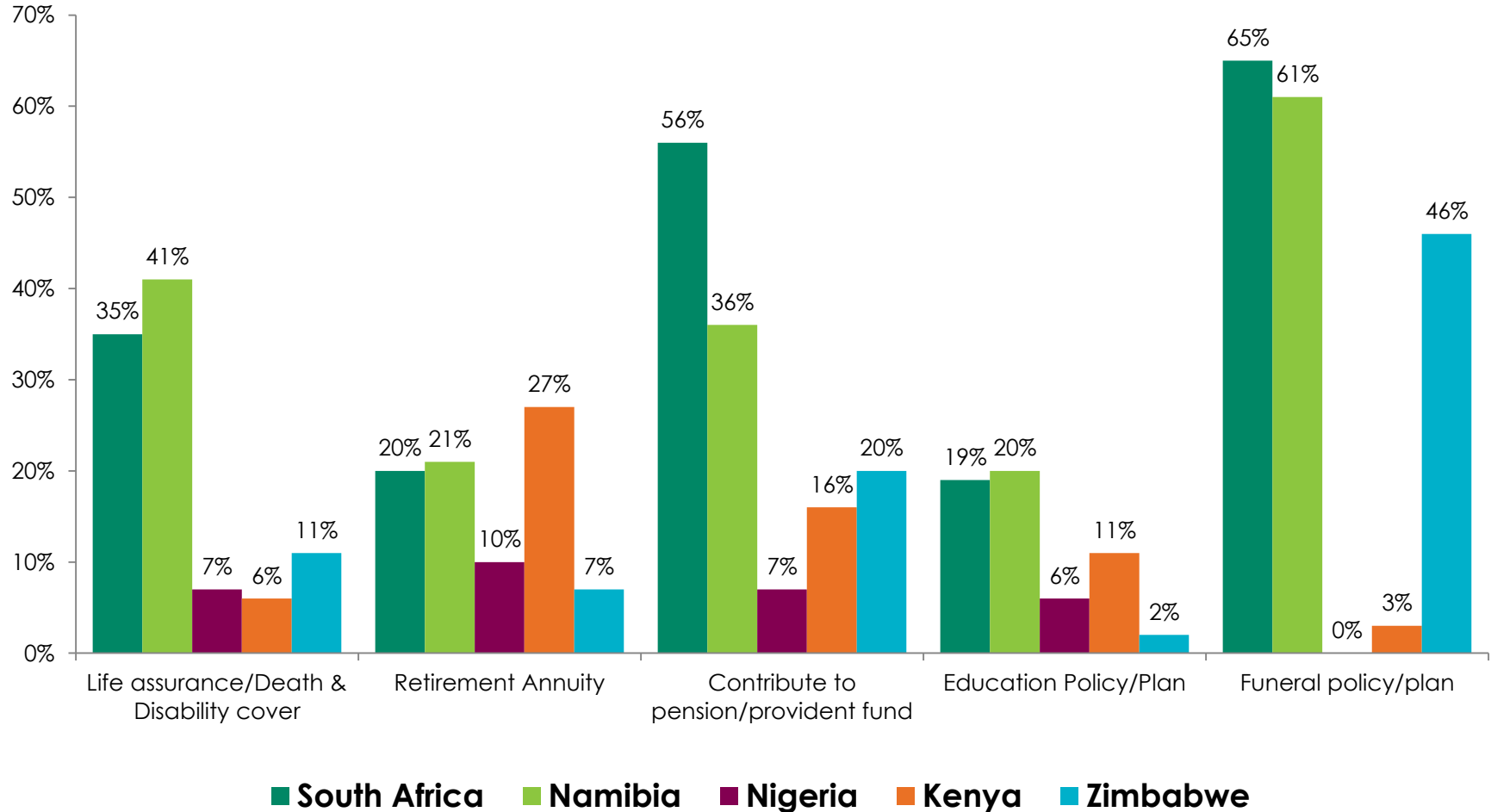
- Bi-annual survey in South Africa
- In 2013 extended to include other countries in Africa - **2,650** working metropolitan individuals interviewed
- Provides valuable insights into behaviours and attitudes of consumers
- Field test for new products

LOW LEVEL OF RETIREMENT SAVINGS



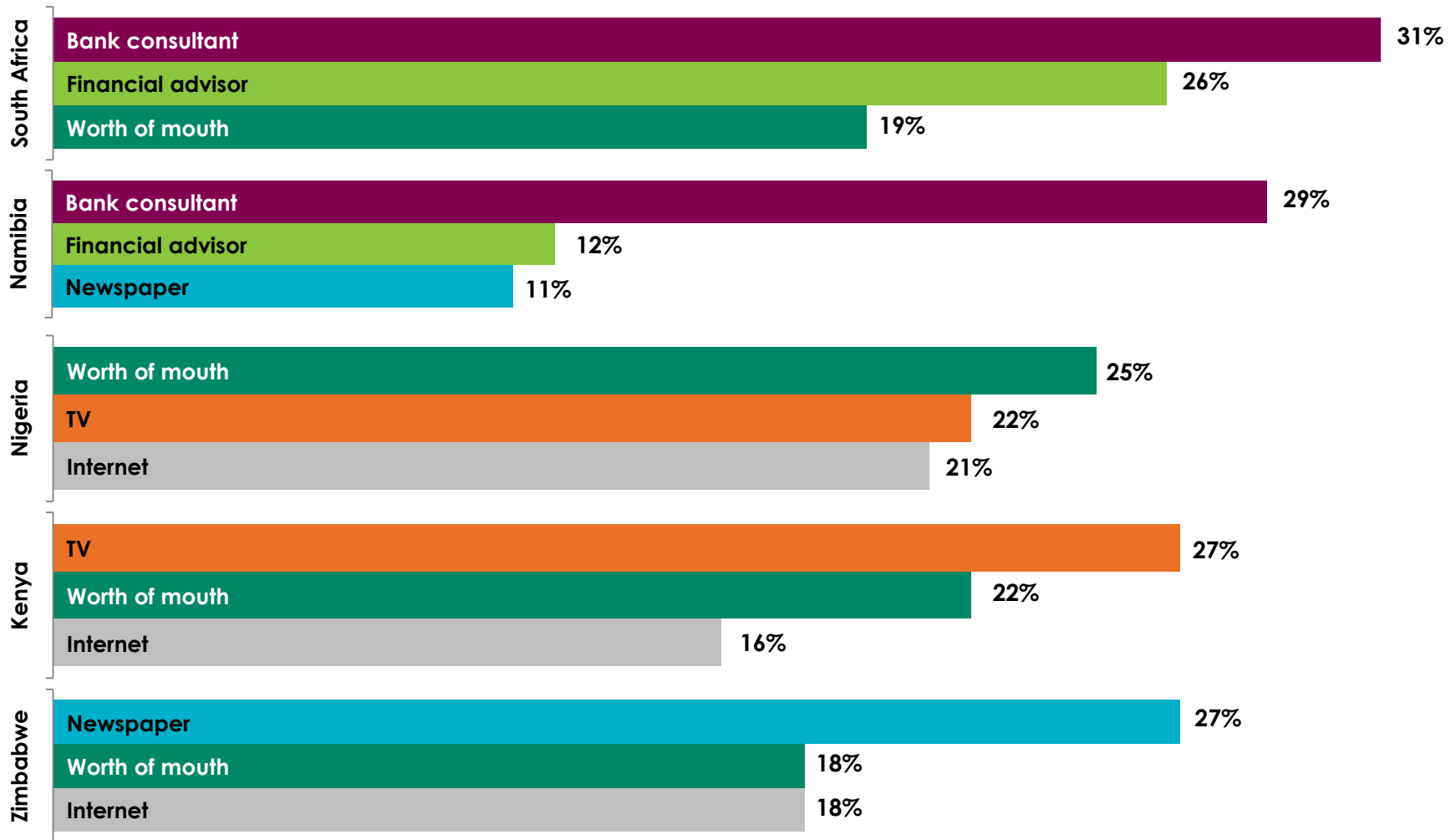
1. Samples in each country consist of working metropolitan individuals
2. Sample sizes – SA 1,000; Namibia 400; Nigeria 400; Kenya 450; Zimbabwe 400

SIGNIFICANT VARIATION IN PRODUCTS ACROSS COUNTRIES



1. Samples in each country consist of working metropolitan individuals
2. Sample sizes – SA 1,000; Namibia 400; Nigeria 400; Kenya 450; Zimbabwe 400

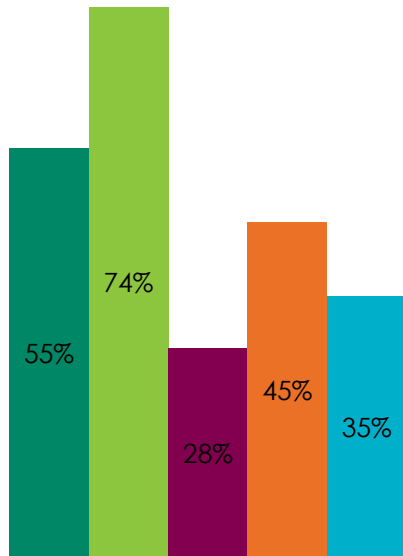
TOP 3 SOURCES OF FINANCIAL INFO



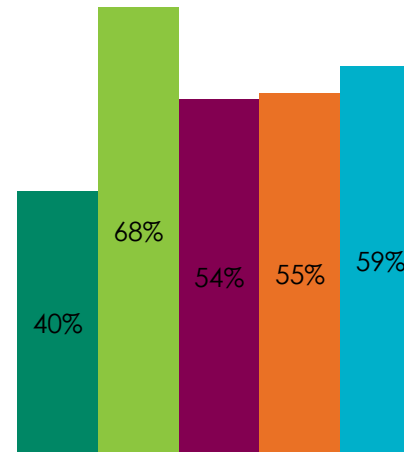
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CUSTOMER ATTITUDES AND BEHAVIOUR

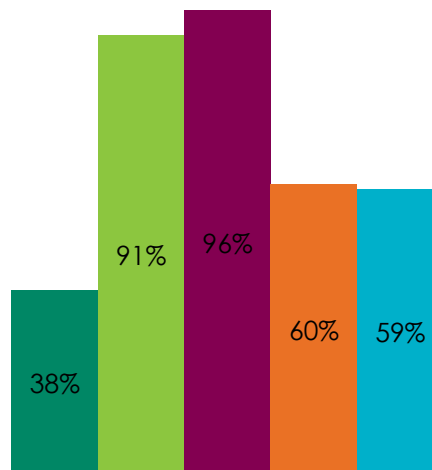
“I feel confident about the economy of my country”



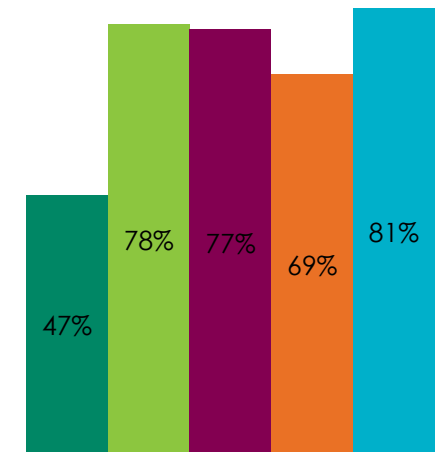
“I would like financial advice, but it's hard to find somebody you trust to give it to you”



“My children should look after me when I am old”



“Saving for education is more important to me than saving for retirement”



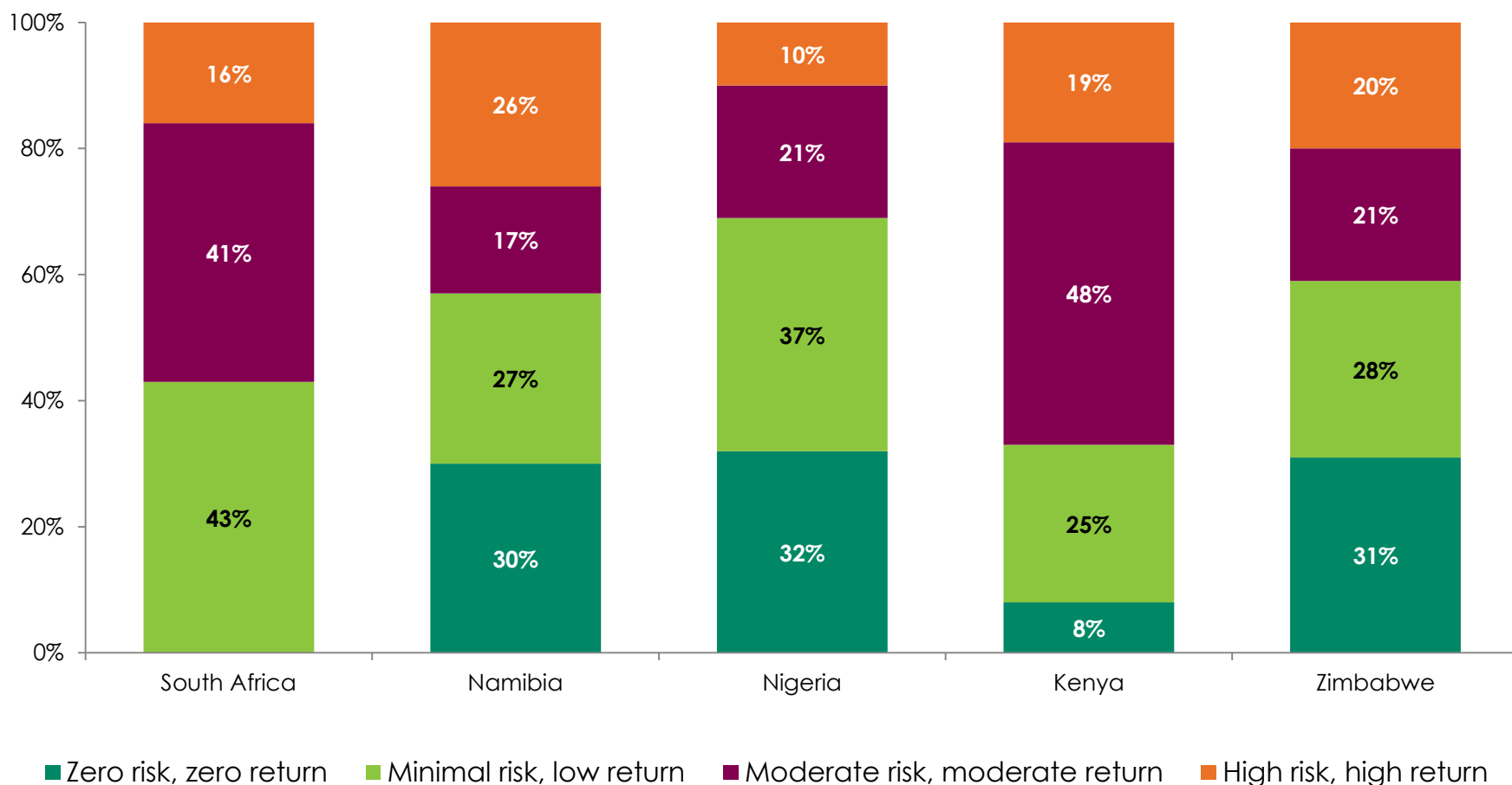
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TOP 3 SAVINGS PRIORITIES



1. Samples in each country consist of working metropolitan individuals
2. Sample sizes – SA 1,000; Namibia 400; Nigeria 400; Kenya 450; Zimbabwe 400

RISK APPETITE ACROSS AFRICA



Classifications based on the following selections:

Zero risk, zero return: I would prefer not to invest my money (Note – this was not given as an option in the SA survey)

Minimal risk, low return: The returns are guaranteed but are very low and may not beat inflation

Moderate risk, moderate return: There is potential for moderate growth and interest, with some risk of losing money

High risk, high return: There is potential for very high growth and interest, but the risk of losing money is higher

CONTACTS

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